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25 February 1969

US-Soviet Military and Space Spending in
1968 Compared

1. The comparisons that follow are based on estimates of US and Soviet military and space expenditures--expressed in dollars--in 1968.
2. 1968 was a year when US expenditures on general purpose and support forces were up because of Vietnam and US strategic force costs were down because of the completion of the initial Minuteman and Polaris deployments. Soviet expenditures, by contrast, were up in the strategic field, reflecting on-going field deployment of ICBMs and the deployment of defensive fighters and surface-to-air missiles.
3. In 1968, Soviet strategic offensive expenditures, when expressed in dollars, were a third greater than those of the US--or about 1.3 to 1. ICBM costs made up almost 60 percent of the USSR total (\$6.5 billion) but only 21 percent of the US total (\$4.8 billion).
4. Soviet strategic defensive costs (excluding R&D) were more than three times greater than those of

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the US. The Soviets spend \$5.6 billion compared to \$1.7 billion for the US--or about 3.3 to 1. Soviet expenditures on defense have always greatly exceeded those of the US. The US built vast bomber fleets; the Soviets reacted with surface-to-air missiles and interceptors. Soviet defensive costs make up 10 percent of their total military and space budget; US defensive costs make up 2 percent.

5. The US spent twice as much on general purpose forces in 1968. US--\$32.6 billion; USSR--\$16.4 billion. This was 41 percent of the total US budget, but only 28 percent of the USSR budget.

6. For communications, logistics, and general support, the US spent more than \$3 for every \$2 the Soviets spent. US command and support costs were \$26.7 billion; USSR, \$16 billion.

7. In the difficult-to-measure area of R&D and space, Soviet expenditures were up from previous years while US expenditures were down. In fact, both spent about the same amount--slightly over \$14 billion. The US outspent the Soviets in space, both military and civilian, 7 to 5. The Soviets outspent the US in military R&D, 9 to 7. R&D and space made up 18 percent of the US budget and 24 percent of the Soviet budget.

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US and USSR: Military and Space Spending
1968

	<u>US a/ (Fiscal Year) Billion Dollars</u>	<u>USSR as a Percent of US</u>	<u>USSR b/ (Calendar Year) Billion Dollars</u>
Strategic Offense	4.8	135	6.5
Strategic Defense	1.7	329	5.6
General Purpose Forces	32.6	50	16.4
RDTE & Space <u>c/</u>	14.3	99	14.2
Command and General Support <u>d/</u>	26.7	60	16.0
Total Defense and Space	<u>80.1</u>	73	<u>58.7</u>

- a. TOA basis, from budget and official documents.
- b. Expenditure basis in dollar equivalent costs which reflect what Soviet programs would cost in the US, allowing direct comparison with US programs.
- c. For comparability in scope with the figure for the USSR, the US figure includes all NASA expenditures, AEC R&D expenditures and all DoD R&D expenditures, including those normally associated with military programs.
- d. Includes nuclear expenditures other than R&D.